

M/043/019

American Stone, Inc.
4040 South 300 West
Salt Lake City, UT 84107
Fax 801-262-4474
801-262-4300

Fax

Date: 8-30-02 Pages (including cover): 3

To: D Wayne Hedberg Fax No.: 359-3940

Company: _____

From: Lon

Subject: _____



RECEIVED
DIVISION OF
OIL, GAS AND MINING

Stone Quarrying

and Fabrication

for Building and

Landscaping.

Star Stone Quarries, Inc.
4040 South 300 West
Salt Lake City, Utah 84107
Phone: 801 262-5069

August 30, 2002

D. Wayne Hedberg
Permit Supervisor
State of Utah - Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Mountain Valley Stone, Browns Canyon Mine, M/043/019
Summit County, Utah

Dear Mr. Hedburg:

This letter is in response to your letter of August 12, 2002 which addressed the concerns we had expressed with the operation being conducted by Mountain Valley Stone adjacent to Star Stone's Quarry. As owners of the surface rights to the property adjacent to Mountain Valley's operations we are concerned as to how Mountain Valley's operations will affect the value of our property when all operations are reclaimed. In addition we are concerned as to the mining, disturbance and reclamation costs for the trespass committed by Mountain Valley on our property.

As correctly noted in your letter Mountain Valley has disturbed approximately 1/3 of an acre of our property. Your statement that a subsequent property line survey revealed that most of the disturbance was not within our property is not correct. The property line was originally surveyed prior to the construction of a fence along the bottom half of the property. Mountain Stone willfully destroyed the fence with the intent of mining quality building stone from Star Stone's property. Apparently Mountain Valley inaccurately placed temporary survey markers prior to your last inspection that caused you to believe that "most of the 1/3 acre disturbance was not within our property." This is simply not true where these survey markers were still substantially inside Star Stone's property. Star Stone objected to the survey and the surveyor then (since your inspection) resurveyed the property and placed the line in its original position where the fence (torn down by Mountain Valley) originally existed and in accordance with Star Stone's original boundary survey. This survey discloses that Mountain Valley has in fact encroached on about 1/3 of an acre of Star Stone property.

Notwithstanding this matter is being litigated as to the damages incurred by Star Stone as a result of Mountain Valley's wrongful actions it is expressly requested that before the mining permit be issued that Mountain Valley be required to restore the fence along the

current survey separating the two properties to assure Star Stone that there will be no further encroachments.

Since there is now evidence of the encroachment and disturbance by Mountain Valley on Star Stone property, a portion of the Mountain Valley reclamation bond should be set aside to fully assure Star Stone that reclamation of the area disturbed by Mountain Valley on Star Stone property will be completed to Star Stone's satisfaction.

We have observed that Mountain Valley has made no effort to stockpile the top soil which was stripped as a result of their operations. In fact they have commingled the top soil in their waste dump which has made any reclamation through the use of existing top soil a virtue impossibility. Accordingly, Star Stone requires assurance that as part of the reclamation that the area disturbed by Mountain Valley will be reclaimed by replacing the top soil removed and subsequently lost and in particular the top soil which Mountain Valley stripped from Star Stone's property.

As an additional property and conservation value issue we have observed that Mountain Valley has little regard for the aesthetics of the creek bottom and wetlands associated with the creek. Their operations have consistently allowed rock and other debris to encroach on and into the creek and creek drainage. We respectfully request that any operating permit require that the creek and related wetlands be protected. We are also concerned that the slope created by their mining operation be stabilized as we do not believe that it has a proper angle of repose and therefore poses a hazard.

Thank you again for addressing our concerns and considering those additional concerns posed in this correspondence.

Kindest regards



Lon Thomas
President Star Stone Quarries Inc.